**THE NATIONAL ASSEMBLY**

 **QUESTIONS FOR WRITTEN REPLY**

**3789** **Mr N F Shivambu (EFF) to ask the Minister of Trade and Industry:**

With reference to the reply to question 3470 on 9 November 2017, (a) what is the name of each person transacting on behalf of the trust, (b) what is the name of each beneficiary of the transaction in respect of the trust, (c) what is the total amount that has been transferred, (d) who is the owner of each trust and (e) on what date was each transaction registered? NW4285E

**Response:**

In response to PQ 3789, the list of transactions registered as at 21 November 2017 is attached as Annexure A. As the B-BBEE Commission does not register trusts but major B-BBEE transactions, we outline the process for registration of major B-BBEE transactions below:

The Explanatory Notice issued by the Commission on 13 June 2017, pursuant to the threshold for major B-BBEE transaction the Minister of Trade and Industry issued on 9 June 2017 in Notice No. 551 in Government Gazette No. 40898 (“Notice”) prescribes documents that must accompany B-BBEE18 for registering a major B-BBEE transactions, which includes trust deeds where applicable.

As of 21 November 2017, the B-BBEE Commission has received two hundred and nineteen (219) major B-BBEE transactions for registration and of these seventy-five (75) involve trusts. Each trust deed identifies the trustees and important to note that not all trusts have undergone the process of registration at the Masters office as at the date of registration of a major transaction.

Further, the Explanatory Notice requires any party to the transaction to register the transaction to the B-BBEE Commission. Most of the transactions are either registered by the party which sells shares or an asset to black people or a third party nominated by the party (ies) to the transaction such as consultants or attorneys.

Furthermore, we wish to advice that there are three types of transactions:

Transactions concluded prior to the amendment of the Broad-Based Black Economic Empowerment Act 53 of 2003. In terms of the Notice, parties to such transaction are encouraged to voluntarily register the transaction. These are not mandatory to register.

Transactions concluded as of 24 October 2014 when the amended Broad-Based Black Economic Empowerment Act, 46 of 2013 came into effect. The Notice required such transaction to be registered within sixty (60) days from date the threshold was gazetted. The B-BBEE Regulations require the B-BBEE Commission to assess each transaction upon registration.

Transactions registered within fifteen (15) days of being concluded. The B-BBEE Commission will not be able to determine the value that black people derived, because the transaction is at an infant stage.

The B-BBEE Commission will publish a report annually of these transactions which will provide details that will include the value and benefits to black beneficiaries, who in essence are indirect shareholders through a trust. The obligation to report major B-BBEE transactions only commenced on 9 June 2017, and the B-BBEE Commission is in the process of registering and assessing in line with the Notice.